

This is the author's version of the work. It is posted here by permission of Australian Council
for Educational Research for personal use, not for redistribution. The definitive version was
published in the

AUSTRALIAN JOURNAL OF CAREER DEVELOPMENT

Volume 18(3), pp. 57-61.

Some Implications of the Psychological Experience of Unemployment

P. Nancey Hoare & M. Anthony Machin

University of Southern Queensland

Corresponding Author:

Dr Nancey Hoare

Careers & Employment

University of Southern Queensland

Toowoomba, 4350

AUSTRALIA

+61 7 46312373

+61 7 46 312880 fax

hoare@usq.edu.au

Abstract

This paper presents a summary of some of the implications gleaned from a research project which investigated the psychological influences on the experience of unemployment.

Drawing from deprivation theory and the stress and coping literature, the research project explored coping resources, cognitive appraisals, coping behaviours, mental health, and reemployment. The results highlight the importance of considering a range of factors that could impact on the psychological well-being, job search behaviour, and reemployment prospects for unemployed individuals. Some of those factors include core self-evaluations, appraisals of deprivation or hardship, and activities that individuals pursue in their spare time. Suggestions are made for intervention strategies that can be tailored to the specific needs of the individual.

Some Implications of the Psychological Experience of Unemployment

This paper summarises some of the implications drawn from a research project which investigated the psychological influences on the experience of unemployment (Hoare, 2007). The research project consisted of two studies. The first was a cross-sectional survey of 371 unemployed participants from South East Queensland, Australia, which was reported in Hoare and Machin (2006). The second study consisted of 115 of those same participants, surveyed 6 months later, and used both cross-sectional and longitudinal designs. The surveys were paper-based and were distributed by staff from employment agencies to their unemployed clients. There were four major objectives for the research project. The first was to determine how coping resources and cognitive appraisals influence coping behaviours. The second was to examine how the coping variables influence mental health. The third was to determine which variables predicted job acquisition and the final objective was to explore changes over time in the coping variables as a function of employment status.

Theoretical Underpinnings

The studies drew mainly from stress and coping theory (Lazarus & Folkman, 1984), but also examined how well Jahoda's (1982) deprivation theory would fit within the stress and coping framework. The stress process is dynamic and constantly changing, depending on the transactions between the person and his or her environment (Lazarus & Folkman). Stress and coping theory posits that for an event or situation to be experienced as stressful, and for it to have an impact on an individual's well-being, the individual must judge the situation as exceeding or taxing his or her available resources and view it as harmful, as threatening, or as a loss of something that is important to him or her (Lazarus & Folkman). Thus, personal resources and cognitive appraisals are important influences in determining whether an experience or situation, such as unemployment, is stressful. Those factors also influence the

cognitive or behavioural strategies an individual will use to manage their stress (Lazarus & Folkman).

In her seminal work in the 1930s, Jahoda (1982) found that unemployment results in a loss of access to five important psychosocial benefits of employment, which she believed accounted for the poor mental health experienced by the unemployed. Jahoda contended that employment not only provides a regular income (the manifest benefits), but it provides people with a sense of collective purpose, opportunities for contact with others outside of their immediate family, a sense of social status, enforced activity, and a structure to their time. Jahoda found that unemployment reduced or deprived people of those five psychosocial benefits, causing them to experience significant distress. This suggests that the experience of distress in the unemployed is associated with appraisals associated with loss of the latent benefits. Thus, Jahoda's theory can be readily incorporated into the stress and coping framework. Other researchers (e.g., Fryer, 1986) have argued that it is the loss of the manifest, or financial, benefits of employment that better account for the distress felt by the unemployed. Fryer argued that having limited finances restricts people's ability to exercise control over their lives and to make plans for the future, which impacts on their well-being. Thus, Fryer's emphasis on the loss of the economic benefits of employment can also be incorporated into the stress and coping theory because perceived access to finances is considered to be a coping resource.

Vulnerability Factors

Overall, the results of the research project appear to fit well with stress and coping theory and highlight the importance of considering personality-related variables (e.g., self-esteem, affective dispositions) and cognitive appraisals (e.g., satisfaction with employment status, deprivation of the latent and manifest benefits of employment) when investigating the

experiences of unemployment and reemployment. Many of the personal resources and appraisal variables were significant correlates of coping behaviours (e.g., job seeking, leisure pursuits) and mental health, and some were also predictors of those variables. Therefore, one of the ways to provide assistance and support for the unemployed is to develop intervention programs aimed at enhancing their personal resources and altering their negative cognitions.

However, the experience of unemployment is not the same for every unemployed person, so where possible, intervention programs should be tailored to suit the individual. Participants with fewer personal resources, greater dissatisfaction with their unemployment status, and more financial hardship were more likely to report clinical symptoms than those who reported more positive self-evaluations and appraisals and who placed less value on employment. Thus, those variables represent psychological vulnerability factors, which, if identified early, could be targeted for intervention programs to decrease the likelihood of deterioration of an unemployed individual's mental health. A predictive model, which included self-esteem, positive affect, negative affect, satisfaction with employment status, and financial hardship, demonstrated stability over time and acceptable sensitivity and specificity for it to be used as a tool to identify unemployed clients at risk of developing clinical symptoms.

On a theoretical level, positive affect appears to be a relatively stable disposition that plays a role in offsetting the negative consequences of unemployment. Whilst self-esteem, efficacy, and negative affect have been included in many studies of the unemployed, positive affect has been relatively neglected in the research. This study suggested that positive affect may well be just as important as negative affect in the unemployment experience. Positive affect was one of the most important predictors of leisure activity and also of mental health. Whilst positive affect was not identified by Judge, Erez, Bono, and Thoresen (2002) as being a part of a higher-order construct, which they called *core self-evaluations*, its relationships

with self-esteem, efficacy, and negative affect suggest that it is part of the constellation of self-evaluative factors. Furthermore, the pattern of relationships between positive affect and some of the other variables in the study, such as appraisals of employment expectation, leisure meaningfulness, latent deprivation, and coping via leisure activity, was very similar to those of self-esteem and efficacy. These findings suggest that positive affect should be considered alongside the other core self-evaluation variables as an important personal resource. However, further research is needed to confirm its convergence with the other core self-evaluation variables, and to also determine whether they are similar in terms of their relationships with other variables that influence the unemployment experience.

Job Seeking Efficacy

Much of the practical assistance offered to the unemployed by Government and employment agencies relates to improving their employability and job search skills, whilst the receipt of Centrelink benefits is typically reliant on the unemployed demonstrating that they are actively looking for work or engaging in other contracted activities (e.g., volunteer work). The results of Study One demonstrated the importance of job seeking efficacy to the job search process, and those results are consistent with previous research that (e.g., Blau, 1994; Kanfer & Hulin, 1985; Wanberg, Glomb, Song, and Sorenson (2005). Therefore, training interventions should focus not only on teaching job search behaviours, but should incorporate factors that enhance job seeking efficacy. Self-efficacy is typically acquired through past successful performances of the behaviour, through positive reinforcement, and through vicarious experiences (Bandura, 1988). The latter refers to individuals seeing others, with whom they identify, successfully carrying out the relevant behaviour. To enhance job seeking efficacy, practitioners could assist their unemployed clients to identify and acknowledge previous successes, such as being short-listed for an interview, or having been

offered a job in the past, to help them to focus on previous positive outcomes. It came to light from the qualitative analyses that some participants felt discouraged because they received no feedback from employers after applying for job. Whilst it may not be feasible for practitioners to educate employers on the importance of feedback, it is possible for practitioners to provide positive reinforcement to their clients for approximating good job search behaviours in a counselling setting (e.g., through mock job interviews or mock informational interviews). Furthermore, group training sessions could provide an avenue for the unemployed to enhance their sense of efficacy through vicarious reinforcement. For example, guest speakers who were previously unemployed and successfully gained work could be invited along to a training session to share their experiences.

Leisure Activities

Although job search behaviours are important precursors to finding work, the results of the research suggest that what the unemployed do in their spare time is also an important consideration in terms of their psychological well-being. The leisure environment appears to provide an alternative avenue for gaining access to the latent benefits and serves as a useful and psychologically healthy way of coping with unemployment. Therefore, practitioners could encourage unemployed individuals to engage in meaningful activities as a way of coping with their unemployment. In doing so, practitioners should be mindful of several pertinent issues that were borne out of the current study. The key predictors of leisure activity were financial resources, level of education, activity in general, leisure meaningfulness, and positive affect. Thus, some unemployed individuals are likely to have significant financial barriers that will place restrictions on the frequency and type of leisure activity in which they engage. Some of the activities reported by participants as meaningful (e.g., sport/exercise, socialising with friends) need not incur a cost, so working with unemployed clients to find

out what activities they would find the most meaningful and then generating cost-effective or no-cost ways of doing them is likely to be helpful. The results suggest that individuals with lower levels of education may need information or education on the positive mental health benefits of leisure activity to help them to see its usefulness as a coping strategy. Other individuals may have difficulty organising and mobilising themselves to engage in leisure activities. Intervention programs incorporating behavioural activation strategies, such as activity scheduling, may be efficacious for assisting such individuals. Other unemployed clients may benefit from therapeutic techniques aimed at helping them to take a more positive view of, or positively reappraise, their situation, and to identify leisure activities that they would find meaningful.

Intervention Strategies

Several researchers have used Cognitive-Behavioural Therapy (CBT) approaches effectively to improve levels of well-being in the unemployed (e.g., Creed, Machin, & Hicks, 1999; Proudfoot, Guest, Carson, Dunn, & Gray, 1997). The behavioural activation component of CBT has been shown to be effective in alleviating negative affect and corresponding maladaptive cognitions (Jacobson & Gortner, 2000). Consequently, Lejuez, Hopko, and Hopko (2001) developed the Brief Behavioural Activation Treatment for Depression (BATD), which appears to be a useful and cost-effective approach that incorporates behaviour monitoring, activity scheduling in several life areas (e.g., social relationships, recreation, volunteer work, career/employment), and positive reinforcement. Thus, it would most likely work well for some unemployed individuals who have difficulty developing social relationships, structuring their time, mobilising themselves into action, or finding meaningful activities to occupy their time. Although positive affect appears to be a relatively stable characteristic, CBT techniques may also be useful for helping unemployed

individuals with low positive affect to reframe their negative cognitions and to engage in activities that are meaningful (Folkman & Moskowitz, 2000). Meaningful activities may assist individuals to feel effective and to experience situational mastery and control, which are important for an individual's mental health (Feather, 1990; Folkman & Moskowitz). Furthermore, there is evidence that people high in positive affect tend to have more positive perceptions of the sociability aspects of themselves and are more interested in other people (Kuiper, McKee, Shahe, & Olinger, 2000). This suggests that people with low positive affect may feel more uncomfortable engaging in networking activities that are likely to enhance their job prospects. As such, intervention strategies aimed at increasing an individual's positive affect may also assist them to become more comfortable using social networks to gather job leads or to approach employers for work.

References

- Bandura, A. (1988). Self-conception of anxiety. *Anxiety Research, 1*, 77-98.
- Blau, G. (1994). Testing a two-dimensional measure of job search behavior. *Organizational Behavior and Human Decision Processes, 59*, 288-312.
- Creed, P. A., Machin, M. A., & Hicks, R. E. (1999). Improving mental health status and coping abilities for long-term unemployed youth using cognitive-behaviour therapy based training interventions. *Journal of Organizational Behavior, 20*, 963-978.
- Feather, N. T. (1990). *The psychological impact of unemployment*. New York: Springer Verlag.
- Folkman, S., & Moskowitz, J. T. (2000). Positive affect and the other side of coping. *American Psychologist, 55*, 647-654.
- Fryer, D. (1986). Employment deprivation and personal agency during unemployment: A critical discussion of Jahoda's explanation of the psychological effects of unemployment. *Social Behaviour, 1*, 3-23.
- Hoare, P. N. (2007). *The unemployment experience: Psychological factors influencing mental health, coping behaviours, and employment outcomes*. Unpublished PhD, University of Southern Queensland, Toowoomba.
- Hoare, P. N. & Machin, M. A. (2006). Maintaining well-being during unemployment. *Australian Journal of Career Development, 15 (1)*, 19-27.
- Jacobson, N. S., & Gortner, E. T. (2000). Can depression be de-medicalized in the 21st century: Scientific revolutions, counter-revolutions and the magnetic field of normal science. *Behavior Research and Therapy, 38*, 103-117.

- Jahoda, M. (1982). *Employment and unemployment: A social-psychological analysis*. London: Cambridge University Press.
- Judge, T. A., Erez, A., Bono, J. E., & Thoresen, C. J. (2002). Are measures of self-esteem, neuroticism, locus of control, and generalized self-efficacy indicators of a common core construct? *Journal of Personality and Social Psychology*, 83, 693-710.
- Kanfer, R., & Hulin, C. (1985). Individual differences in successful job searches following lay-off. *Personnel Psychology*, 38, 835-847.
- Kuiper, N. A., McKee, M., Shahe, S. K., & Olinger, J. L. (2000). Social perceptions in psychiatric inpatients: Relation to positive and negative affect levels. *Personality and Individual Differences*, 29, 479-493.
- Lazarus, R., & Folkman, S. (1984). *Stress, appraisal, and coping*. New York: Springer.
- Lejuez, C. W., Hopko, D. R., & Hopko, S. D. (2001). A brief behavioral activation treatment for depression: Treatment manual. *Behavior Modification*, 25(2), 255-286.
- Proudfoot, J., Guest, D., Carson, J., Dunn, G., & Gray, J. (1997). Effect of cognitive-behavioural training on job-finding among long-term unemployed people. *The Lancet*, 350, 96-100.
- Wanberg, C. R., Glomb, T., Song, Z., & Sorenson, S. (2005). Job-search persistence during unemployment: A ten wave longitudinal study. *Journal of Applied Psychology*, 90, 411-430.

Brief Biographical Notes

DR NANCEY HOARE is a Psychologist (Career Development) in the Careers & Employment team at the University of Southern Queensland, Toowoomba. She has research interests in career development, employment, unemployment, and psychological wellbeing.

Email: hoare@usq.edu.au



ASSOC PROF TONY MACHIN is Head of Department (Psychology) in the Faculty of Sciences at the University of Southern Queensland. He is currently teaching courses in research methods and career assessment and development, and specialises in organisational psychology. Tony's research has focused on understanding the process of transfer of training in the workplace, occupational health and well-being, strategies for improving well-being in the unemployed, and the management of driver fatigue.



Theory and Practice

Question: What are some of the variables identified as potential vulnerability factors in the unemployment experience?

Answer: Results from the research project indicate that lower self-esteem, positive affect, and satisfaction with employment status, along with higher negative affect and financial hardship, may be vulnerability factors that increase an individual's risk of developing clinical symptoms. Early interventions aimed at identifying and enhancing an individual's coping resources may help to maintain their psychological wellbeing during unemployment.

Question: Apart from job search skills, what is an important psychological variable that could be targeted in job search training programs?

Answer: Job seeking efficacy can have a strong influence on the job search process, so strategies aimed at helping unemployed individuals to reflect on, and acknowledge, past successes with their job search can be helpful. Unemployment can impact on a person's confidence in their ability to find work, particularly if they are constantly receiving knockbacks from potential employers and have not been able to get feedback on their job applications. Therefore, it is important to assist individuals to recognise their past successes, such as being short-listed for an interview, or being able to acquire work in the past, to positively reinforce active job seeking behaviour, and to provide opportunities for them to gain greater efficacy through vicarious experiences.